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THE EXCHANGE HAS NEITHER APPROVED NOR DISAPPROVED THE INFORMATION CONTAINED IN THIS FILING STATEMENT, WHICH IS A REPRODUCTION OF THE ORIGINAL FILED WITH THE EXCHANGE BY THE COMPANY AND IS ISSUED FOR INFORMATION PURPOSES ONLY. THIS FILING STATEMENT IS NOT TO BE REPRODUCED IN WHOLE OR IN PART WITHOUT THE WRITTEN APPROVAL OF THE TORONTO STOCK EXCHANGE.

THE TORONTO STOCK EXCHANGE

10/10/68

FILING STATEMENT NO. 1650.
FILED, JUNE 27th, 1968.

PYRAMID MINING CO. LTD. (N.P.L.)

Full corporate name of Company

Incorporated under the Companies Act of British Columbia

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

Reference is made to previous Filing Statement No. 1491

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	See Schedule "I" on pages 3,4 and 5. See Schedule "II" on page 6.
2. Head office address and any other office address.	Registered Office - 1250 One Bentall Centre, 505 Burrard Street, Vancouver, B. C.; Head Office- 640-890 West Pender Street, Vancouver, B.C.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	At the annual general meeting of the Company held on the 15th day of December, 1967, the following Directors were re-elected, and John Tancowny of 7651 Mayfield, Burnaby, B. C. and David J. Brant of 1935 Queens, West Vancouver, B. C., did not seek re-election as Directors and in consequence thereof the vacancies were not filled. Alexander H. Lenec, President and Director, of 640-890 West Pender Street, Vancouver, B. C. is a Chartered Accountant and has practiced his profession at Vancouver, B. C. since October, 1959. Henry L. Hill, of 710 Southborough, West Vancouver, B. C. Managing Director, is an engineer and practiced his profession as a partner with H. L. Hill & Associates Ltd. in Vancouver, B. C. until January, 1966, and is presently managing the affairs of Pyramid Mining Co. Ltd. (N.P.L.). G. Arnold Armstrong, of 1250 One Bentall Centre, 505 Burrard Street, Vancouver, B. C., Secretary Treasurer and Director, has practiced his profession as a Barrister and Solicitor at Vancouver, B. C. since prior to 1960. Charles R. Elliott, of 95 Hudson Drive, Toronto, Ontario, Director, is a Chartered Accountant. He has been an officer and/or director of Conwest Exploration Company Limited, Toronto, Ontario for over 20 years. William Robinson, Director, of 37 Strathearn Drive, Toronto, Ontario, Director, is President of Newconex Holdings Limited, and has been over five years.
4. Share capitalization showing authorized and issued and outstanding capital.	3,000,000 common shares without nominal or par value of which 2,631,852 shares have been issued. 69,731,630 6% Redeemable Preferred Shares of the par value of $.50 each.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	Nil.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	Nil.

7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Nil.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	Nil.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company intends to carry on a normal exploration program based upon such advice from its consulting enginee as may be received from time to time. Details with respect to the proposed exploration to be carried out by Coronation Gulf Mines Ltd. (N.P.L.) are set forth in the engineering report of L. J. Manning, P.Eng., dated the 4th day of January, 1968, annexed to the Prospectus of the said Company dated February 7th, 1968, a copy of which has been filed with the Toronto Stock Exchange. Details with respect to the proposed exploration to be carried out by Molly Gibson Silver Ltd. (N.P.L.) are set forth in the engineering report of L. J. Manning, P.Eng., dated May 30th, 1968, a notarized copy of which ha been filed with the Toronto Stock Exchange.
10. Brief statement of company's chief development work during past year.	The Company examined a number of properties during the year, acquired claims in the Coppermine area which were transferred to Coronation Gulf Mines Ltd. (N.P.L.), as set forth in Schedule I; completed an aerial electromagnetic survey of the claims in the Smithers area, completed established drill targets after a ground Turam pinpoint of the conductors and arranged participation with Homestake Silver Ltd. on the Molly Gibson property at Nelson, B. C. as set forth in Schedule II hereof.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Nil
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Nil
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	Nil
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Nil

SCHEDULE I

On December 19th, 1967, Pyramid Mining Co. Ltd. (N.P.L.) purchased the following Mineral Claims in the Coppermine River Area of the Northwest Territories for the sum of $15,000.00, namely,

MINERAL CLAIMS	RECORD NUMBERS
EB 11 - 13	T8311 - T8313
EB 14 - 22	T8314 - T8322
EB 33 - 35	T8333 - T8335
SB 41 - 43	T8341 - T8343
SB 44 - 46	T8344 - T8346
SB 52 - 58	T8352 - T8358
SB 59 - 72	T8359 - T8372
JS 73 - 90	T8373 - T8390
JS 91 - 108	T8391 - T8408
JB 109 - 129	T8409 - T8429
JB 130	T8430

On December 19th, 1967, Pyramid Mining Co. Ltd. (N.P.L.) purchased a 40 per cent interest in the following Mineral Claims in the Coppermine River Area of the Northwest Territories for the sum of $8,240.00, namely,

MINERAL CLAIMS	RECORD NUMBERS
DON 1 - 36	T16001 - T16036
BUD 37 - 72	T14137 - T14167
	T14132 - T14136
ORE 73 - 103	T14107 - T14131
	T14168 - T14173

The remaining 60 per cent interest was acquired by Croydon Mines Ltd. (N.P.L.) and Madrona Explorations Ltd. (N.P.L.).

On January 3rd, 1968, Pyramid Mining Co. Ltd. (N.P.L.) purchased a 40 per cent interest in the following Mineral Claims in the Coppermine Area of the Northwest Territories for the sum of $28,020.00, namely,

MINERAL CLAIMS	RECORD NUMBERS
GM 1 - 36	T15901 - T15936
DM 37 - 72	T15937 - T15972
FD 73 - 100	T15973 - T16000
FD 101 - 108	T25357 - T25364
SA 109 - 137	T25365 - T25393
SA 138 - 142	T14173 T14178
SA 143	T10950
GO 1 - 36	T24701 - T24736
GO 37 - 72	T24737 - T24772
GO 73 - 108	T24773 - T24800
	T24601 - T24608

MINERAL CLAIMS	RECORD NUMBERS
GO 109 - 144	T24609 - T24644
GO 145 - 177	T24645 - T24677
GO 178 - 181	T24678 - T24681
GO 188 - 191	T24688 - T24691
GO 182 - 187	T24682 - T24687
GO 192 - 200	T24692 - T24700
GO 201 - 216	T24585 - T24600
JS 1 - 36	T30401 - T30436
FM 37 - 72	T30437 - T30472
RIP 73 - 108	T30473 - T30508

The remaining 60 per cent interest was acquired by Croydon Mines Ltd. (N.P.L.) and Madrona Explorations Ltd. (N.P.L.).

Croydon Mines Ltd. (N.P.L.) and Madrona Explorations Ltd. (N.P.L.) jointly acquired the following Mineral Claims in the Coppermine River Area of the Northwest Territories in the year 1967, as follows, namely,

MINERAL CLAIMS	RECORD NUMBERS
JB 131 - 144	T8431 - T8444
IS 145 - 169	T8445 - T8469
IS 170 - 180	T8470 - T8480
MAD 1 - 5	T15331 - T15335
BO 33 - 36	T9433 - T9436
BO 37	T9437
BO 44 - 53	T9444 - T9453
BO 60 - 69	T9460 - T9469
BO 70 - 91	T9470 - T9491
BO 92 - 108	T9492 - T9508
BO 109 - 118	T9509 - T9518
BO 123 - 127	T9523 - T9527
BO 128 - 134	T9528 - T9534
BO 141 - 144	T9541 - T9544
BO 145 - 152	T9545 - T9552
BO 161 - 163	T9561 - T9563
BO 164 - 171	T9564 - T9571
BO 174 - 178	T9574 - T9578
OP 1 - 16	T9601 - T9616
OP 17 - 19	T9579 - T9581
OP 20 - 36	T9582 - T9598

By agreement dated February 1st, 1968, Pyramid Mining Co. Ltd. (N.P.L.), Croydon Mines Ltd. (N.P.L.) and Madrona Explorations Ltd. (N.P.L.) each transferred all of their respective interests in 875 mineral claims in the Coppermine River Area of the Northwest Territories to a new company incorporated under the name of Coronation Gulf Mines Ltd. (N.P.L.). For their mining claims, the companies received shares as follows:-

Pyramid Mining Co. Ltd. (N.P.L.)	300,000
Croydon Mines Ltd. (N.P.L.)	225,000
Madrona Explorations Ltd. (N.P.L.)	225,000
	750,000

A true copy of the agreement is submitted in support of this statement as well as a true copy of the letter of acceptance dated February 16th, 1968 of the Prospectus of Coronation Gulf Mines Ltd. (N.P.L.).

In addition to the shares received for property, the three companies purchased treasury shares as follows:-

Pyramid Mining Co. Ltd. (N.P.L.)	80,000	shares at $.10 each
	240,000	shares at $.25 each
Croydon Mines Ltd. (N.P.L.)	60,000	shares at $.10 each
	180,000	shares at $.25 each
Madrona Explorations Ltd. (N.P.L.)	60,000	shares at $.10 each
	180,000	shares at $.25 each

The three companies are the principal holders of securities in Coronation Gulf Mines Ltd. (N.P.L.) owning the following number of shares:-

		Percentage of all allotted shares after completion of underwriting
Pyramid Mining Co. Ltd. (N.P.L.)	620,000 shares -	30.24%
Croydon Mines Ltd. (N.P.L.)	465,000 shares -	22.68%
Madrona Explorations Ltd. (N.P.L.)	465,000 shares -	22.68%

There is no connection of whatsoever nature between Pyramid Mining Co. Ltd. (N.P.L.) and Croydon Mines Ltd. (N.P.L.). The only connection between Pyramid and Madrona Explorations Ltd. (N.P.L.) is that Henry L. Hill is a director and vice-president of both companies and is a shareholder of both companies.

A Prospectus of Coronation Gulf Mines Ltd. (N.P.L.) was filed with the British Columbia Securities Commission, Victoria, British Columbia on February 7th, 1968, pursuant to which Brink, Hudson & LeFever, 837 West Hastings Street, Vancouver, British Columbia, firmly underwrote 300,000 common shares of the Company at $.50 per share, which shares were distributed to the public at the price of $.60 per share. A copy of the prospectus of Coronation Gulf Mines Ltd. (N.P.L.) dated February 7th, 1968, has been filed with the Toronto Stock Exchange.

SCHEDULE II

Homestake Silver Ltd., pursuant to an agreement with Cominco Ltd., dated December 31st, 1962, and amended December 31st, 1963 and April 10th, 1965, incorporated a new company under the name Molly Gibson Silver Ltd. (N.P.L.) to which the "Molly Gibson" property consisting of ten crown granted mineral claims and four surface lots will be transferred. The said Molly Gibson property is situated near Nelson, in the Nelson Mining Division, British Columbia, known as follows:-

MINERAL CLAIMS	LOT NUMBERS
ASPEN	1578
BLUFF NO. 1. FR.	14250
COMATTE FR.	2050
FLORENCE	1716
GOPHER NO. 1. FR.	14251
LAPLATA FR.	1719
LITTLE DUKE	4392
LITTLE FRACTION	4393
MERCURY NO. 1	14247
MOLLY GIBSON	1579

SURFACE LOT NOS. 6581, 6582, 11144 and 11486

The Molly Gibson property is beneficially owned by Molly Gibson Silver Ltd. (N.P.L.). There is no connection between Homestake Silver Ltd. and Pyramid Mining Co. Ltd. (N.P.L.) other than the fact that Henry L. Hill, a director of Pyramid, was formerly a director of Homestake Silver Ltd.

Initially the issued shares of the new company will be owned as to 40 per cent by Cominco and 60 per cent by Homestake Silver Ltd. Cominoo has the right to maintain its percentage position on an optional basis as additional shares are issued for further finaning of the new company. By letter of agreement dated October 26th, 1967, Homestake Silver Ltd. granted an option to Pyramid Mining Co. Ltd. (N.P.L.) to participate in all future financing of the new company in return for Pyramid's firm commitment to subscribe for shares in the new company to the extent of $35,500.00. If both Cominco and Pyramid participate to the full extent of their rights and after the amount of such financing reaches $1,000,000.00, the interest of the three companies in the capital stock of the new company will be as follows:-

Homestake Silver Ltd. (N.P.L.)	25%
Pyramid Mining Co. Ltd. (N.P.L.)	35%
Cominco Ltd.	40%

A true copy of the letter of agreement is submitted in support of this statement.

FINANCIAL STATEMENTS

HALLAM, MCALISTER, MCAFEE & PEW
CHARTERED ACCOUNTANTS

TELEPHONE 685-1933

630 NESBITT THOMSON BUILDING
890 WEST PENDER STREET
VANCOUVER 1, B.C.

R. J. HALLAM, C.A.
D. MCALISTER, C.A.
B. P. MCAFEE, C.A.
C. G. PEW, B.COMM., C.A.

ACCOUNTANTS' COMMENTS

The Toronto Stock Exchange,
and
The Ontario Securities Commission,
and
The Vancouver Stock Exchange

As requested by the directors of the company, we have prepared the accompanying financial statements of Pyramid Mining Co. Ltd. (N.P.L.) as follows:

Exhibit A - Balance Sheet as at March 31, 1968

Exhibit B - Comparative Statement of (Deficit) Surplus

Exhibit C - Comparative Statement of Exploration, Development and Other Expenditures

Exhibit D - Comparative Statement of Source and Application of Funds

Exhibits B, C and D are for the periods from incorporation, January 23, 1964 to March 31, 1968.

Exhibit A has been prepared without audit from the books and records of the company. In Exhibits B, C and D, figures for the periods ended June 11, 1965, June 15, 1966 and July 31, 1967 have been extracted from audited financial statements reported upon by previous auditors. Figures for the periods from August 1, 1967 to January 31, 1968, and February 1, 1968 to March 31, 1968 are unaudited and have been extracted from the books and records of the company. Accordingly, we are not in a position to express an opinion upon the accompanying financial statements as a whole.

Hallam, McAlister, McAfee & Pew
Chartered Accountants

July 3, 1968,
Vancouver, B. C.

PYRAMID MINING CO. LTD. (N.P.L.) EXHIBIT A

BALANCE SHEET

AS AT MARCH 31, 1968

(PREPARED WITHOUT AUDIT)

ASSETS

CURRENT ASSETS		
Accounts receivable	$ 11,998	
Investment in Pine Point Mines Limited 7,528 shares, at $40.00 each (market value)	301,120	$313,118
OTHER ASSETS, at cost		
Investments in other companies		
620,000 shares of Coronation Gulf Mines Ltd. (N.P.L.)	152,055	
275,000 shares of Molly Gibson Silver Ltd. (N.P.L.) - a private company	25,000	
	177,055	
Equipment and leasehold improvements	76,691	
Cost of and exploration expenditures on mineral claims in the Smithers, B. C. area	92,716	346,462
		$659,580

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES		
Bank indebtedness, secured		
Overdraft	$ 2,082	
Loan	90,000	
	92,082	
Accounts payable	6,895	$ 98,977
SHAREHOLDERS' EQUITY		
Share capital		
Authorized - 3,000,000 common shares of no par value		
Issued - 2,631,852 common shares	637,959	
Deficit (Exhibit B)	77,356	560,603
		$659,580

APPROVED ON BEHALF OF THE BOARD:

Director

Director

This is Exhibit A referred to in our Accountants' Comments dated July 3, 1968

Hallam, McAlister, McAfee & Pew
Chartered Accountants

EXHIBIT B

PYRAMID MINING CO. LTD. (N.P.L.)

COMPARATIVE STATEMENT OF (DEFICIT) SURPLUS

FOR THE PERIODS FROM INCORPORATION JANUARY 23, 1964 TO MARCH 31, 1968

	February 1, 1968 to March 31, 1968	August 1, 1967 to January 31, 1968	June 16, 1966 to July 31, 1967	June 12, 1965 to June 15, 1966	January 23, 1964 to June 11, 1965
(DEFICIT) SURPLUS - AT BEGINNING OF PERIOD	$(2,289)	$12,194,002	$31,298,454		
Proceeds from sale of Pine Point properties 526,400 common shares of Pine Point Mines Limited valued at market price on June 15, 1966 of $63.00 per share.				$33,163,200	
Cost of Pine Point mineral claims and buildings sold, preproduction and development expense				(1,457,542)	
Write-off on equipment				(153,010)	
Administration and general expense	(16,205)	(60,595)	(149,906)	(254,194)	
Dividends received from Pine Point Mines Limited		683,035	2,945,270		
Interest and other income		41,415	50,904		
Sale of buildings and adjustment of leasehold improvements			53,952		
Stock dividend		(10,658,999)	(14,475,186)		
Cash dividend		(657,963)	(1,579,111)		
Write down in value of Pine Point Mines Limited shares distributed as stock dividend		(871,631)	(2,105,488)		
Write down in value of Pine Point Mines Limited shares held by Company after distribution to shareholders.			(3,421,782)		
Write down in value of other Pine Point Mines Limited shares held by company	(56,132)		(90,512)		
Write down in value of Coronet Mines Ltd. (N.P.L.) shares			(162,500)		
Write off cost of mining property abandoned			(3,039)		
Expenses arising on sale of Pine Point property			(167,054)		
Legal and other expenses incurred regarding settlement of income tax position and regarding distributions to shareholders.		(180,687)			
Exploration expenses written off	(2,730)	(490,866)			
(DEFICIT) SURPLUS - AT END OF PERIOD	$(77,356)	$ (2,289)	$12,194,002	$31,298,454	-

APPROVED ON BEHALF OF THE BOARD:

Director

Director

This is Exhibit B referred to in our Accountants' Comments dated July 3, 1968

Hallam, McAlister, McAfee & Pew

Chartered Accountants.

PYRAMID MINING CO. LTD. (N.P.L.)

EXHIBIT C

COMPARATIVE STATEMENT OF EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURES

FOR THE PERIODS FROM INCORPORATION, JANUARY 23, 1964 TO MARCH 31, 1968

	February 1, 1968 to March 31, 1968	August 1, 1967 to January 31, 1968	June 16, 1966 to July 31, 1967	June 12, 1965 to June 15, 1966	January 23, 1964 to June 11, 1965
Geophysical surveys and line cutting				$ 185,733	
Assessment work					$ 1,200
Travel and accomodation	$ 1,653		$ 16,567	43,725	5,073
Assays and reports				24,496	872
Equipment rentals and diamond drilling			(27,149)	628,914	16,868
Consulting and engineering fees			19,267	63,833	7,004
Freight					353
Insurance				6,968	559
Prospecting				43,098	1,125
Registration and recording fees					2,006
Camp tools and supplies					3,713
Truck and automobile	440				4,602
Wages			34,532		21,273
McKenzie project	637				
Emplcyee benefits					319
Sundry prospecting and exploration		$ 8,362	85,698	145,144	28
Warehouse				2,116	
Air E. M. Survey		72,807			
	2,730	81,169	128,915	1,144,027	64,995
Administration and general expenditures	16,205	60,595	149,906	254,194	12,316
EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURES FOR THE PERIODS (EXHIBIT D)	$18,935	$141,764	$278,821	$1,398,221	$77,311

APPROVED ON BEHALF OF THE BOARD:

Director

Director

This is Exhibit C referred to in our Accountants' Comments dated July 3, 1968.

Hallam, McAlister, McAfee & Pew

Chartered Accountants.

HALLAM, MCALISTER, MCAFEE & PEW
CHARTERED ACCOUNTANTS

EXHIBIT D

PYRAMID MINING CO. LTD. (N.P.L.)

COMPARATIVE STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE PERIODS FROM INCORPORATION, JANUARY 23, 1964 TO MARCH 31, 1968

	February 1, 1968 to March 31, 1968	August 1, 1967 to January 31, 1968	June 16, 1966 to July 31, 1967	June 12, 1965 to June 15, 1966	January 23, 1964 to June 11, 1965
WORKING CAPITAL AT BEGINNING OF PERIOD	$289,208	$15,028,169	$34,631,830	$ 40,046	Nil
SOURCE OF FUNDS					
Proceeds of sale of Pine Point properties				33,163,200	
Proceeds of sale of treasury shares for cash		683,035	2,945,270	3,029,750	$158,521
Dividends from Pine Point Mines Limited			53,952	1,579,200	
Sale of buildings and other assets		41,415	50,904		
Interest and other income					
250,000 shares of Coronet Mines Ltd. (N.P.L.) reclassified as a current asset		225,000			
	289,208	15,977,619	37,681,956	37,812,196	158,521
APPLICATION OF FUNDS					
Cost of property and assets sold to Pine Point Mines Limited				1,610,552	
Exploration, development and administration expense (Exhibit C)	18,935	141,764	278,821	1,398,221	77,311
Equipment purchased			31,889	71,698	28,302
Stock dividends		10,658,999	14,475,186		
Cash dividends		657,963	1,579,111		
Decrease in value of Pine Point Mines Ltd. and Coronet Mines Ltd. (N.P.L.) shares	52,696	871,631	5,617,782		
Cost of 250,000 shares of Coronet Mines Ltd. (N.P.L.)			387,500		
Investment in and advances to Pyramex Developments Ltd. (N.P.L.)			116,444		
Expenses incurred regarding settlement of income tax position and regarding distributions to shareholders and properties sale		180,687	167,054		
Reduction in common share capital		3,000,312			
Expenditures to acquire shares of Coronation Gulf Mines Ltd. (N.P.L.)		152,055			
Advance to acquire shares of Molly Gibson Silver Ltd. (N.P.L.)		25,000			
Loss on sale of Pine Point Mines Ltd. shares	3,436				
Acquisition of mineral properties				99,895	10,150
Incorporation and organization expenses					2,712
	75,067	15,688,411	22,553,787	3,180,366	118,475
WORKING CAPITAL AT END OF PERIOD	$214,141	$ 289,208	$15,028,169	$34,631,830	$ 40,046

APPROVED ON BEHALF OF THE BOARD:

Director

Director

This is Exhibit D referred to in our Accountants' Comments dated July 3, 1968

Hallam, McAlister, McAfee & Pew

Chartered Accountants.

EVALUATION REPORT:

L. J. MANNING & ASSOCIATES LTD.
CONSULTING MINING ENGINEERS
610–890 WEST PENDER STREET VANCOUVER 1, B.C.

OFFICE PHONE:
683-5661

RESIDENTIAL PHONE:
L. J. MANNING - 985-5680

May 30, 1968

The President and Directors,
Homestake Silver Ltd. (N.P.L.),
Vancouver, B. C.

Dear Sirs:

The following is a report on work completed at the Molly Gibson Mine near Nelson during 1967.

SUMMARY

From June to November, 1967, the 5880 level was advanced 1,832 feet and a raise was advanced 100 feet. Five ore zones were developed aggregating 300 feet of strike length for an average grade of 10.47 oz. Silver, 2.76% lead, and 3.67% Zinc over a width of 3.3 feet. The ore is estimated to have a net smelter return value of $29.00 before dilution.

It is recommended that before the next phase of operation commences, that $10,000 be made available for surface exploration north of the upper levels.

RECENT HISTORY

During 1966 work was performed on the group of 18 Crown Grants and leased by Homestake Silver Ltd. (N.P.L.) under agreement with Cominco. In 1966 the 5880 level was advanced from a point in the crosscut 1,600 feet from the portal to a point 860 feet north of the crosscut on what appears to be the main vein.

On November 7th and December 5th, 1966 the property was visited on behalf of Homestake Silver Ltd. by our representative Mr. Carl Miller who noted that the 250 feet of vein then exposed by drifting and test holing was similar to ore reported on and above the 6900 level about 1,000 feet above the 5880 level. A program of continued drifting in the vicinity of the crosscut was recommended.

A study by the undersigned in May 1967 resulted in a recommendation by Mr. H. L. Hill that the drift be advanced to the north to expose the downward extensions of the pods developed in the upper workings.

Mining:

Work commenced with our project manager, Don McLeod, plowing the road to the mine from the 1st to 6th of June, 1967. Camp and equipment were installed so that limited drifting commenced on the 20th June and full scale drifting commenced on the 24th June, 1967.

Crew consisted of 4 miners, 2 motormen, 2 mechanics on 2 shifts, plus 1 field foreman, Mr. Don Ormrod, and a cook. Project Supervisor was Don McLeod.

Surveying and mapping and sampling services were supplied by Hill, Manning & Associates Ltd. Most of the geological mapping was performed by Bruce Spencer of Cominco in two visits to the mine.

From the 20th June to the 17th November, 1967, for 150 calendar days, the drift was advanced 1,832 feet and the raise advanced 100 feet for a total advance of 1,932 feet. The present drift face is 4,535 feet from the portal. The last 130 feet of drift was driven in the east wall of the vein to by-pass bad ground in the vein itself. The drifting was stopped an estimated 20 feet short of the main vein.

Ore Zones:

An aggregate strike length of 300 feet of ore in 5 shoots was developed as follows:

Zone	Location	Length (ft.)	Width (ft.)	Silver (oz/ton)	Lead (%)	Zinc (%)
1	1014-10S to 15N	25	4.20	8.33	2.90	1.21
2	1019 + 24S to 23N	47	1.30	33.62	2.53	5.57
3	1020 + 5N to 30N	25	1.75	19.18	0.71	5.47
4.	1021 + 19N to 01222 + 19N	83	6.50	6.58	(1.00)	5.34
5	1031 + 20N to 135N	120	3.12	9.72	3.75	3.26
Total and Averages		300	3.27	10.47	2.76	3.67

IF EXPANDED TO 3.0 FEET

	Length (ft.)	Width (ft.)	Silver (oz/ton)	Lead (%)	Zinc (%)
Total and Average	261	3.8	9.7	1.8	4.0

The most northerly ore shoot was developed for a vertical distance of 83 feet with 100 feet of raise. No vertical limits or trends could be established with the limited amount of raising as the raise apparently did not pass beyond the limits of the shoot.

Metallurgical Testing:

A metallurgical test was completed by Cominco on a 400 pound sample of ore from the mine which ran 9.4 oz. ag., 2.9% Pb., 3.7% Zn., compared to 10.47 oz. Ag., 2.76% Pb., 3.67% Zn., the average of the five shoots. The sample also contained 3.34% Manganese but even at poor recoveries, it was not found possible to make a saleable manganese concentrate in the nine tests completed, but possibilities of working a saleable concentrate were indicated. It was found that reasonable lead and zinc concentrates and recoveries could be obtained at a grid of 55% minus 200 mesh.

To see if the ore was amenable for shipment under the Silica Schedule, further assays were made on the sample so that the full analysis was:

SiO_2	52.6%	FeAsS	2.7%
Al_2O_3	7.5%	PbS	3.3%
$CaCO_3$	12.5%	ZnS	5.5%
$Mn(Fe)CO_3$	10.0%	F	.006%
Fe	5.6%	Au	.02 oz/ton
		Ag	9.4 oz/ton

The decision by the Cominco Ores Purchasing Department was that material of the above analysis was too high in Al_2O_3 and As to permit their accommodation of significant tonnages, but occassional small tonnage lots might be accepted.

Using the Cominco lead and zinc smelter schedules of September 1st, 1962, the recoveries from one of the better tests, the following N.S.R. is estimated

	Conc. Price	% Rec.	Gross At Mill	Frt. & Smelting	Net	Mine Grade	N.S.R./ Ton at Mill
Silver	$2.46	79	$1.95	-14¢	1.81	10.7	19.40
Lead	.14	84	11.8¢	2.8¢	.09	2.7	4.86
Zinc	.135	74	10.0¢	4.0¢	.06	4.0	4.80
TOTAL		UNDILUTED					$29.06 per ton

OBSERVATIONS AND CONCLUSIONS

Ore similar to that encountered on the 6900 level is being encountered on the 5880 with increasing frequency as the drifting continues north. Unfortunately bad ground prevented developing another shoot just after No. 5. It would appear that about 160 feet of the last 230 feet was mineralized.

The following procedures may be considered for further developing the property.

1. 50-foot test holes in the vicinity of some of the shoots to test for parallel structures.
2. Continue raising across the shoots until well past the ore limits to establish rakes.
3. Additional short test holing of the walls to check the continuation of some of the shorter mineralized zones
4. Continue advancing to the north.
5. Prospecting and mapping the vein on the surface north of the old upper workings. It is understood to be visible for some distance. Useful geologic knowledge could thus be regained which may account for the northward termination of the upper workings or may lead to conclusions justifying advancing some of the upper levels or testing the vein from surface by geophysical methods.

RECOMMENDATIONS

In view of the amount of information obtainable for relatively low cost, it is recommended that $10,000 be made available for prospecting and mapping, followed by limited surface trenching and drilling of the surface expression of the vein to the north and south. This work should be serviced by helicopter.

L. J. MANNING & ASSOCIATES LTD.

L. J. Manning, P.Eng.

LJM:mjr

ENGINEER'S REPORT

L. J. MANNING & ASSOCIATES LTD.
CONSULTING MINING ENGINEERS
610–890 WEST PENDER STREET VANCOUVER 1, B.C.

OFFICE PHONE:
683-5861

RESIDENTIAL PHONE:
L. J. MANNING - 985-5690

May 2, 1968

The President and Directors,
Pyramid Mining Co. Ltd. (N.P.L.),
Vancouver, B. C.

Dear Sirs:

This progress report summarizes the Companies activities and estimates expenditures required for the balance of the 1968-1969 period.

COPPERMINE, N. W. T.

Pyramid holds 620,000 shares of Coronation Gulf Mines Ltd., currently exploring six groups totalling 875 located mineral claims in this area.

During the 1967 field season Pyramid and two other companies completed prospecting, trenching and diamond drilling on Group 1 of these holdings. Five copper mineralized zones were located of which two were tested by diamond drilling. Later in the season Groups 2 to 6 were optioned. A mineral showing of economic significance was located on Group 3 and stakers have reported other copper mineralized structures in all groups.

Coronation Gulf Mines Ltd. (N.P.L.) was organized in December, 1967 for the further investigation of these areas. As a principal shareholder, Pyramid Mining Co. Ltd. (N.P.L.) will retain an active role in all future activities of Coronation Gulf Mines Ltd. As consultants we have recommended a 1968 field program including aerial and ground geophysical surveys, mapping, prospecting and diamond drilling at an estimated cost of $275,000. Results of this program will determine the nature and extent of future exploration in the area.

SMITHERS E.M. ANOMALIES

The Company has acquired 110 located mineral claims in the Omineca Mining Division of B. C. These claims were staked in four groups to cover significant E.M. anomalies located by a helicopter-borne electromagnetic survey completed in 1967. The conductive zones have been confirmed by ground Turam surveys as topping 75 - 100 feet below surface. A diamond drill program to test these anomalies is scheduled to commence in June 1968.

MOLLY GIBSON SILVER

The Molly Gibson mine, near Nelson, B. C. is a former silver-lead-zinc producer, formerly held jointly by Homestake Silver Ltd. and Cominco. Programs completed during the 1965-1967 period were encouraging, and in October 1967 a new private company, Molly Gibson Silver Ltd., was formed in which Pyramid Mining Co. Ltd. received 275,000 shares for expenditures on the property to date of $25,000. These funds were expended to partially test the vertical continuity of one of the five ore zones located in the 5800-foot level and to complete metallurgical tests on the ore zone. Results are currently under review and several alternatives for future exploration are being considered. By continuing exploration, to an additional maximum of $1,000,000, the financing group can earn a 75% interest in Molly Gibson Silver Ltd., Homestake retaining a 25% non-assessable interest.

ASPEN GROVE

The company owns three Crown Granted and 45 located mineral claims in the Nicola Mining Division, B. C. No work is planned on these claims at the present time.

SUNDRY EXPLORATION

The Company should continue to investigate all properties brought to their attention. Funds should be made available for property examinations, option agreements and miscellaneous exploration programs.

ESTIMATED EXPENDITURES FOR 1968-1969

Exploration Overhead		$ 70,000
Coppermine - reserve for extended and accellerated exploration		150,000
Smithers E. M.		
Initial Phase	$ 50,000	
Follow-up work	50,000	100,000
Molly Gibson Silver		
1968 Committment	10,000	
1969 Follow-up	35,000	50,000
Sundry Exploration - Includes new property examinations options, consulting fees, assays, etc.		50,000
Total Estimated Expenditures		$420,000
Present Working Capital, May 1, About		200,000
Estimated Additional funds required		$220,000

L. J. MANNING & ASSOCIATES LTD.

L. J. Manning, P.Eng.

LJM:mjr

CERTIFICATE OF QUALIFICATIONS

I, Luard J. Manning, P.Eng., Mining, of 945 Belvedere Drive, North Vancouver, B. C. certify as follows:

1. That I am a graduate of the University of British Columbia and hold a Bachelor of Applied Science degree in Mining Engineering.

2. That I have been a member of the Association of Professional Engineers of Ontario since 1959 and a member of the Association of Professional Engineers of British Columbia since April, 1966.

3. That I have been engaged in the profession of mining engineering for over 15 years.

4. That I was a member of the engineering and supervisory staff of the Taxco Unit of the American Smelting and Refining Co. Ltd. from 1951 to 1953.

5. That in 1953 I joined the staff as chief engineer of Giant Mascot Mines Ltd., Spillimacheen, B. C. and remained there until 1955.

6. That from 1955 to 1957 I was employed by Rix Athabasca Uranium Mines Ltd. as chief engineer and assistant manager.

7. That from 1957 to 1959 I was a mine captain at Pronto Uranium Mines Ltd.

8. That from 1959 to 1960 I was in charge of research and auxilliary mine services at Pronto.

9. That from 1960 to 1963 I was mine superintendent of the Pronto Division of Rio Algom Mines Ltd.

10. That from 1964 to 1965 I was General Mine Superintendent of the Pronto Division of Rio Algom Mines Ltd.

11. That from August to December 1965 I was resident manager at Orecan Mines Ltd.

12. That from January 1966 I have been involved in general exploration and consulting work.

13. That I am, at present, the principal in the firm of L. J. Manning & Associates Ltd. of Vancouver, a firm of consulting mining engineers.

14. I have personally visited showings on Group I of your Coppermine holdings and have examined your other holdings at Smithers and the Molly Gibson Mine.

15. That I do not hold any financial or other interests in the properties or stock of Pyramid Mining Co. Ltd. or any of its affiliates, nor do I expect to do so in the future.

Dated at Vancouver, B. C. this 2nd day of May, 1968.

L. J. Manning, P.Eng.

15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	(1) Melita Investments Limited 4003 Toronto Dominion Centre Toronto, Ontario 300,000 shares direct, beneficial (2) Conwest Exploration Company Ltd. 1001 - 85 Richmond Street West Toronto, Ontario direct, beneficial 276,738 shares (3) Doherty, Roadhouse & McCuaig Bros. 335 Bay Street Toronto, Ontario 256,999 shares beneficial owners unknown (4) TorDom & Co. Account No. 9480-664-007 501 West Georgia Street Vancouver, B. C. beneficial owners unknown 82,500 shares (5) James Richardson & Sons Ltd. 173 Portage Avenue East Winnipeg, Manitoba beneficial owners unknown 50,395 shares
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	Those shareholders listed in Paragraph 15 hereof might be construed as capable of affecting control if they act in concert, however, there is no agreement for this purpose.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	275,000 shares of Molly Gibson Mines Ltd. Book Value: $25,000.00 - no market value 620,000 shares of Coronation Gulf Mines Ltd. (N.P.L.) Book Value: $152,055.00 - no market value 8,528 shares of Pine Point Mines Limited Book Value: $400,816.00 - Market value: $341,120.00
18. Brief statement of any lawsuits pending or in process against company or its properties.	Donna M. Bucholtz, Administratrix of the Estate of Fred Bucholtz and John Murray Cameron vs Cyril C. Keyes and Pyramid Mining Co. Ltd. re option granted by Keyes to Bucholtz re purchase of 12,750 shares. Pyramid joined respecting claims for injunction on transfer of shares from Keyes.
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	Nil.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts. So far as the signatories hereto are aware, the shares of the Company are not in the course of primary distribution to the public.

DATED June 30, 1968.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

PYRAMID MINING CO. LTD. (N.P.L.)

"A.H. Lenec"

Per: _____ CORPORATE SEAL
President

"G.A. Armstrong"

_____
Secretary-Treasurer

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

_____

_____